

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Resolution approving the issuance of industrial revenue bonds by the
Seminole County Industrial Development Authority.

DEPARTMENT: Economic Development **DIVISION:** Economic Development

AUTHORIZED BY: Don Fisher **CONTACT:** William J. McDermott **EXT.** 7132

Agenda Date 10/26/04 **Regular** ☐ **Consent** ☒ **Work Session** ☐ **Briefing** ☐
Public Hearing – 1:30 ☐ **Public Hearing – 7:00** ☐

MOTION/RECOMMENDATION:

Approve and authorize the Chairman to execute the attached resolution approving the issuance of industrial revenue bonds.

BACKGROUND:

At a special meeting of the Seminole County Industrial Development Authority held on October 6, 2004 the Authority adopted Resolution No. 2004-03, approving the issuance of revenue bonds to finance and refinance the acquisition, construction and equipping of an educational facility by the master's academy and related matters.

The educational facility is located in unincorporated Seminole County just east of the Central Florida Greenway.

Attachments: Resolution No. 04-R-
Exhibits 1 and 2
Secretary's Certificate
Exhibit A
Meeting Minutes, September 22, 2004 and October 6, 2004

Reviewed by:	
Co Atty:	<u>[Signature]</u>
DFS:	
Other:	
DCM:	<u>[Signature]</u>
CM:	<u>[Signature]</u>
File No.	<u>CE002</u>

**THE FOLLOWING RESOLUTION WAS ADOPTED AT
THE REGULAR MEETING OF THE BOARD OF COUNTY
COMMISSIONERS OF SEMINOLE COUNTY, FLORIDA
ON THE _____ DAY OF _____, 2004.**

WHEREAS, the Board of County Commissioners of Seminole County declared a need for the Seminole County Industrial Development Authority (the "Authority"), appointed its members and empowered it to act under the provisions of Chapter 159, Part III of the Florida Statutes; and

WHEREAS, Authority on October 6, 2004, following the public hearing held on September 22, 2004, pursuant to the Notice of Public Hearing published in the *Orlando Sentinel* and attached hereto as Exhibit "1" (the "Notice"), adopted the resolution attached hereto as Exhibit "2" (the "Resolution") providing for the issuance of an aggregate principal amount not to exceed \$14,000,000 Seminole County Industrial Development Authority Adjustable Rate Demand Industrial Development Revenue Bonds, Series 2004 (The Master's Academy) (the "Bonds") to finance and refinance the cost of acquisition, construction and equipping of a K-12 school located at 1500 Lukas Lane, Oviedo, Seminole County, Florida (the "Project"), fund capitalized interest, and pay certain costs relating to the issuance of the Bonds; and

WHEREAS, the Board of County Commissioners of Seminole County has jurisdiction over Seminole County; and

WHEREAS, the Board of County Commissioners of Seminole County has been furnished with a copy of the Notice and of the minutes of the public hearing of Authority held on September 22, 2004, and of the special meeting of the Authority held on October 6, 2004, with respect to Authority's approval of the Resolution indicating that the Notice apprised residents of Seminole County of the proposed issuance of the Bonds not less than fourteen (14) days before the public hearing and that such public hearing was conducted in a manner which provided a reasonable opportunity for persons with differing views on both the issuance of the Bonds and the location and nature of the Project to be heard; and

WHEREAS, the Board of County Commissioners has been requested by the Authority to consider and approve the Authority's issuance of the Bonds under the provisions of Section 125.01(1)(z) of the Florida Statutes, as amended, and Sections 103 and 147(f) of the Internal Revenue Code of 1986.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Seminole County as follows:

1. Issuance by the Authority of not to exceed \$14,000,000 of Seminole County Industrial Development Authority Adjustable Rate Demand Industrial Development Revenue Bonds, Series 2004 (The Master's Academy) as contemplated by the Resolution, is hereby approved, subject to the Bonds being issued and delivered on or before October 5, 2005.

If the Bonds are not issued and delivered by that date, the approval granted hereby shall be deemed void and revoked.

2. This approval is intended to comply with the provisions of Section 125.01(1)(z) of the Florida Statutes, as amended, and Sections 103 and 147(f) of the Internal Revenue Code of 1986.

3. Nothing contained in this approval shall be deemed to create any obligation of Seminole County, Florida or the Board of County Commissioners of Seminole County.

ADOPTED this _____ day of _____, 2004, and effective immediately upon its adoption.

ATTEST:

**BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA**

By: _____
Name: _____

Clerk to the Board of County
Commissioners of Seminole
County, Florida

By: _____
_____, Chairman

Exhibit "1"

NOT TO EXCEED
\$14,000,000
SEMINOLE COUNTY
INDUSTRIAL
DEVELOPMENT
AUTHORITY
ADJUSTABLE RATE
DEMAND
INDUSTRIAL
DEVELOPMENT
REVENUE BONDS
SERIES 2004
(THE MASTER'S
ACADEMY)

TO WHOM IT MAY
CONCERN:

You are hereby notified
that on Wednesday,
September 22, 2004, at 2:00
a.m., or as soon thereafter
as the matter may be heard,
in the conference room at
the Metro Orlando
Economic Development
Commission's Office,
1230 North Douglas Avenue,
Suite 116,
Lanswood, Florida 32779,
a Public Hearing will be
held by the Seminole County
Industrial Development
Authority (the
"Authority") on behalf of
Seminole County, Florida on
the proposed
issuance of Seminole County
Industrial Development
Authority
Adjustable Rate Demand
Industrial Development
Revenue Bonds, Series 2004
(the "Master's Academy")
(the "Bonds") and on the
location and nature of the
facility to be financed. The
Bonds shall be issued in an
aggregate principal amount
of not to exceed \$14,000,000
for the purpose of providing
funds to finance and
refinance the cost of
acquisition and equipping
of a 36-12 school located at
1300 Lukas Lane, Oviedo,
Seminole County, Florida
(the "Project"), and
capitalized interest, and
pay certain costs relating to
the
issuance of the bonds. The
Project will be owned and
operated by The Master's
Academy of Central
Florida, Inc. (the
"Master's Academy"), a
Florida nonprofit
corporation that has been
determined by the
Internal Revenue Service to
be an exempt organization
under Section 501(c)(3) of
the Internal Revenue Code or
thereunder. The Public
Hearing is for the
purpose of
providing a reasonable
opportunity for interested
individuals to express their
views, both orally and in
writing, on the proposed

THE BONDS SHALL
NEVER CONSTITUTE AN
INDEBTEDNESS OR
GENERAL OBLIGATION
OF THE STATE OF
FLORIDA. THE
AUTHORITY,
SEMINOLE COUNTY, OR
ANY OTHER POLITICAL
SUBDIVISION OR
AGENCY OF THE STATE
OF FLORIDA, BUT SHALL
BE PAYABLE SOLELY
FROM FUNDS PAID BY
THE MASTER'S
ACADEMY OF CENTRAL
FLORIDA, INC. AND
PLEGGED FOR SUCH
PURPOSE, AND SHALL
BE SECURED BY
COLLATERAL
FURNISHED BY THE
MASTER'S
ACADEMY OF CENTRAL
FLORIDA, INC.

Persons wishing to express
their views regarding the
Project and the issuance of
the Bonds may appear at
the hearing or may submit
their views in writing.
Written comments should be
submitted to the Authority
at 1230 North Douglas
Avenue, Suite 116,
Lanswood, Florida 32779,
Attention: Tracy Turk,
Secretary, and should be
mailed in
sufficient time to be
received
before September 22, 2004,
the date of the hearing.
Should any person decide to
appeal any decision made
by the County at the
hearing, he or she will need
a record of the proceedings
and he or she may need to
assure that a verbatim
record of the
proceedings be made, which
record includes the
testimony and evidence
upon which the appeal
will be heard.

Any person requiring
reasonable accommodation
of this meeting because of a
disability or physical
impairment should contact
the Secretary of the
Authority at (407) 665-2903
at least 48 hours prior to the
meeting.

SEMINOLE COUNTY
INDUSTRIAL
DEVELOPMENT
AUTHORITY
COR5827715 SEPT. 7, 2004

Exhibit “2”

RESOLUTION NO. 2004-_____

RESOLUTION OF THE SEMINOLE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY PRELIMINARILY APPROVING THE
ISSUANCE OF REVENUE BONDS TO FINANCE AND REFINANCE THE
ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN
EDUCATIONAL FACILITY BY THE MASTER’S ACADEMY AND
RELATED MATTERS

WHEREAS, the Seminole County Industrial Development Authority (the “Issuer”) has been informed by officers and agents of The Master’s Academy of Central Florida, Inc. (the “Borrower”), a Florida nonprofit corporation that is an exempt organization within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), that the Borrower proposes to finance and refinance the acquisition, construction and equipping of a K-12 school located in Seminole County, Florida (the “Project”); and

WHEREAS, the Project provides services needed by residents of Seminole County, approximately 100 persons are employed at the Project and approximately 30 new jobs have been created as a result of the recent expansion represented by the Project; and

WHEREAS, it is estimated by the Borrower that the costs of financing and refinancing the Project, paying capitalized interest and paying costs of issuance of the hereinafter described bonds may require expenditures of up to \$14,000,000; and

WHEREAS, the most feasible method of financing and refinancing the proposed Project is for the Issuer to issue its revenue bonds or other appropriate obligations (the “Bonds”) and lend the proceeds from the sale of said Bonds to the Borrower, with loan repayments to be sufficient and timely to pay the principal of, premium (if any) and interest on said Bonds; and

WHEREAS, after careful study and investigation of the nature of the proposed Project at a meeting open to the public, held in accordance with all open meetings laws, the Issuer has determined that in assisting with the financing and refinancing of the Project, it will be acting in furtherance of the public purposes of the Chapter 159, Parts II and III, Florida Statutes, as amended; and

WHEREAS, the Borrower has requested that the Issuer indicate its willingness to issue its Bonds to finance and refinance the proposed Project so that said financing and refinancing of the Project may proceed; and

WHEREAS, the Issuer has determined that it is in the best interest of the inhabitants of Seminole County and the State of Florida, that the financing and refinancing of the proposed Project proceed without delay;

NOW, THEREFORE, BE IT RESOLVED as follows;

1. The Issuer hereby finds that financing and refinancing the Project will develop and promote the public good and the general welfare of Seminole County and of the State of Florida by helping ensure the provision of services needed by residents of Seminole County and the State of Florida, by helping preserve the jobs of the persons employed at the Project and by creating opportunities for new jobs to be created at the Project.

2. In order to indicate the Issuer's willingness to issue its Bonds in an amount up to \$14,000,000 to finance and refinance the Project, the execution and delivery to the Borrower of an inducement agreement is hereby authorized, said inducement agreement to be in substantially the form attached hereto as Exhibit "A" subject to such minor changes, insertions and omissions as may be approved by the Chairman of the Issuer and the execution of said inducement agreement by the Chairman and Secretary of the Issuer as herewith authorized shall be conclusive evidence of any such approval.

3. The Chairman and Secretary of the Issuer of are further hereby authorized to take any and all further action and execute and deliver any and all other documents as may be necessary to issue and deliver the aforementioned Bonds and to effect the undertaking for which said Bonds are proposed to be issued. The Bonds will not be issued unless the Issuer adopts a Bond Resolution approving such documents.

4. It is the intention of the Issuer that this resolution constitutes a declaration of "official intent" of the Issuer to reimburse expenditures with the proceeds of Bonds, within the meaning of Treasury Regulations Section 1.150-2.

5. The Issuer is hereby authorized to publish notice, conduct a public hearing, and approve the Bonds in accordance with the provisions of Section 147(f) of the Code and Treasury Regulations Section 5f.103-2.

Adopted this October 6, 2004.

SEMINOLE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman

[SEAL]

Attest: _____
Secretary

SECRETARY'S CERTIFICATE

I, _____, Secretary of the Seminole County Industrial Development Authority, DO HEREBY CERTIFY that the foregoing two (2) pages of typewritten matter constitute a true and correct copy of the resolution adopted on October 6, 2004, by said Authority in a meeting, in accordance with all open meetings laws and the procedures of the said Authority; duly called and assembled, which was open to the public and at which a quorum was present and acting throughout, and that the original of said resolution appears of public record in the Minute Book of said Authority which is in my custody and control.

Given under my hand and the seal of said Authority, this 6th day of October, 2004.

Secretary

[SEAL]

EXHIBIT "A"

October 6, 2004

The Master's Academy of Central Florida, Inc.
1500 Lukas Lane
Oviedo, Florida 32765

Re: Proposed Revenue Bond Financing of The Master's Academy

Ladies and Gentlemen:

We (the "Issuer") are informed that The Master's Academy of Central Florida, Inc. (the "Borrower"), a Florida nonprofit corporation, and an exempt organization within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, proposes to finance and refinance its K-12 school located in Seminole County, Florida (the "Project"). We understand that the cost of financing and refinancing the Project, paying capitalized interest and paying costs of issuance of the hereinafter described bonds may require expenditures of up to \$14,000,000. As a result of our discussions with your officers and agents, we have determined that the Issuer's willingness to issue its revenue bonds or other appropriate obligations (the "Bonds") to assist the Borrower by providing financing and refinancing for the Project will enable the Borrower to save interest costs, and will assist in preserving the jobs of the persons employed at the Project and create additional jobs at the Project, which will develop and promote the public good and general welfare of Seminole County and the State of Florida, and it is, therefore, the conclusion of the Issuer that in assisting with the financing and refinancing of the Project the Issuer will be acting in furtherance of the public purposes of Chapter 159, Parts II and III, Florida Statutes, as amended (the "Act").

In order to carry out the public purposes of the Act, we hereby make the following proposals:

1. The Issuer will issue its Bonds in one or more series in a total principal amount not to exceed \$14,000,000 for the purpose of paying the costs of financing and refinancing the Project and paying costs of issuance of the Bonds. No proceeds of the Bonds will be used to finance or refinance any church, sanctuary, chapel or other worship space. Bond counsel and the Borrower will undertake an analysis of the Project to exclude from the financing those portions of the Borrower's facilities in which religious instruction takes place. Such analysis shall be based on the time and space used for religious instruction in the Borrower's facilities, as compared to the total time and space used in at all of the Borrower's facilities. The percentage of such facilities used for religious instruction, as determined by such analysis, shall be quantified in dollar terms and specifically excluded from the tax-exempt Bond financing. Borrower shall covenant in the Borrower Agreement (defined below) not to use its Bond-financed facilities in a manner that would violate the First Amendment to the United States Constitution or relevant provisions of the Florida constitution or other Florida law.

2. The terms of the Bonds (maturity schedule, interest rates, denominations, redemption provisions, security etc.) must be satisfactory to the Borrower and the Issuer and will be determined by a bond purchase contract or similar instrument in form acceptable to the Issuer to be entered into between the Issuer and the underwriter of the bonds satisfactory to the Borrower. The Bonds will be offered and sold only to "qualified institutional buyers" within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended.

3. (a) Simultaneously with the delivery of the Bonds, the Issuer will loan the proceeds from the sale of the Bonds to enable the financing and refinancing of the Project and the terms and provisions of the loan agreement to be entered by the Issuer and the Borrower in connection therewith (the "Borrower Agreement") shall be substantially in the form generally utilized in connection with such financial undertakings, as agreed upon by the Issuer and the Borrower.

(b) The Borrower Agreement will be dated contemporaneously with the Bonds and the term of the Borrower Agreement will equal or exceed the term of the Bonds.

(c) The amounts payable by the Borrower under the Borrower Agreement will be paid to a corporate trustee at such times and in such amounts as shall be timely and sufficient to pay the principal of, redemption premium (if any) and the interest on, the Bonds, as the same become due and payable. The duty of the Borrower to make all payments required under the Borrower Agreement shall be absolute and unconditional after the delivery of the Bonds.

(d) The proceeds from the sale of the Bonds may be deposited in a project fund and disbursed pursuant to requisitions in accordance with the requirements of the Borrower Agreement. Moneys in the project fund may be invested in any obligations which represent legal investments for proceeds of Bonds issued by the Issuer.

(e) The Borrower will pay any taxes, assessments or utility charges which may be lawfully levied, assessed or charged upon the Borrower, the Issuer, the Project or the payments under the Borrower Agreement if such would result in a lien or charge upon the Project or the revenues of the Issuer therefrom.

(f) The Borrower Agreement will require the Borrower to keep the Project insured against loss or damage or perils generally insured against by facilities similar to the Project and to carry public liability insurance covering personal injury, death or property damage with respect to the Project and may permit the Borrower to be self insured.

(g) The Borrower Agreement shall provide that in the performance of the covenants contained therein on the part of the Issuer, any obligations it may incur or the payment of money shall not be a general debt on its part or on the part of the State of Florida, Seminole County, or any other political subdivision or municipality, but shall be payable solely from the specific payments received from the Borrower under such Borrower Agreement or from Bond proceeds, insurance proceeds and/or condemnation awards.

(h) The Borrower Agreement shall contain covenants providing for the indemnification of the Issuer and the individual members and officers thereof for all expenses incurred by them and for any loss suffered or damage to property or any injury or death of any

person occurring in connection with the construction of the Project.

4. The Issuer will enter into a trust indenture with a corporate trustee to be named by the Issuer subject to the approval of the Borrower. The trust indenture will pledge such loan agreement, and/or any promissory note issued by the Borrower in connection therewith, and the amounts due thereunder, to said trustee for the benefit of the holders of the Bonds, and the terms of such trust indenture shall be agreed upon by the Issuer, the Borrower and said trustee.

5. The Issuer will assist in the prompt preparation of the Borrower Agreement, the trust indenture, if any, the bond purchase contract or similar instrument and where requested, any security deed, promissory note or guaranty agreement, and any other related documents, all of which must be in form and content satisfactory, to the Issuer.

6. Upon delivery of the Bonds, the provisions of this proposal and the agreement resulting from its acceptance by the Borrower shall have no further effect and, in the event of any inconsistency between the terms of this proposal and (as the case may be) the Borrower Agreement, trust indenture, mortgage, promissory note, guaranty agreement or any other security documents, such Borrower Agreement, trust indenture, mortgage, promissory note, guaranty agreement or other security documents shall control.

7. If for any reason the Bonds are not delivered within one year of the date hereof, the provisions of this proposal and the agreement resulting from its acceptance by the Borrower shall, at the option of the Issuer to be evidenced in writing, be canceled and neither party shall have any rights against the other and no third parties shall have any rights against either party except as provided in (a) and (b) of this paragraph 7, and in paragraph 8 below:

(a) the Borrower will pay the Issuer for all expenses which have been authorized by the Borrower and incurred by the Issuer in connection with the Project; and

(b) the Borrower will assume and be responsible for all contracts entered into by the Issuer at the request or direction of the Borrower in connection with the Project.

8. Whether or not the Bonds are issued, the Borrower will pay any out-of-pocket expenses of directors or members of the Issuer incurred in connection with the Project and the proposed issuance of the Bonds and will pay the legal fees and expenses of counsel for the Issuer and bond counsel, related to the Project and the proposed issuance of the Bonds. If the bonds are issued, the Borrower will pay any customary issuance fee of the Issuer. Peck, Shaffer & Williams LLP is designated as bond counsel for the Bonds.

9. The Borrower, in accepting this proposal, thereby agrees to indemnify, defend and hold the Issuer and the individual members and officers thereof harmless against any loss or damage to property or any injury or death of any person or persons occurring in connection with the Project or the issuance of the Bonds. The Borrower also agrees to reimburse or otherwise pay on behalf of the Issuer, any and all reasonable and necessary expenses not hereinbefore mentioned, incurred by the Issuer and approved by the Borrower in connection with the Project or the issuance of the Bonds. This indemnity shall be superseded by a similar indemnity in the Borrower

Agreement, and, if the Bonds are not issued and delivered, this indemnity shall survive the termination of the agreement resulting from the Borrower's acceptance of this proposal.

10. This agreement shall inure to the benefit of and be binding upon the Borrower and the Issuer and their respective legal representatives, successors and assigns.

If the foregoing proposal is satisfactory to you, the Borrower may so indicate by having the following acceptance executed by a duly authorized officer of the Borrower and returning a copy to the Issuer. This proposal and acceptance will then constitute an agreement in principle with respect to the matters herein contained.

Yours very truly,

SEMINOLE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman

[SEAL]

Attest:

Secretary

ACCEPTANCE OF PROPOSAL

The terms and conditions contained in the foregoing proposal by the Seminole County Industrial Development Authority are hereby accepted, this October 6, 2004.

THE MASTER'S ACADEMY OF
CENTRAL FLORIDA, INC.

By: _____
Chairman

SEMINOLE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Regular Meeting
September 22, 2004

A regular meeting of the Seminole County Industrial Development Authority (the "Authority") was held in the conference room at the Metro Orlando Economic Development Commission's office, 1230 North Douglas Avenue, Suite 116, Longwood, Florida, commencing at 9:00 o'clock AM on September 22, 2004, pursuant to the notice published in the *Orlando Sentinel* on September 7, 2004.

Board members present at the meeting were:

E. Mack McReynolds, by telephone

The members in attendance in person did not constitute a quorum of the members of the Authority.

Also present at the meeting were Tracy Turk, Secretary of the Authority, Michael Batts, Chairman of the Board, The Master's Academy, Dr. William (Bill) Harris, Superintendent, The Master's Academy, Michael Wood, Executive Vice President, CNL Bank, Michael Melliore, Esq. of the law firm of Peck, Shaffer & Williams, LLP and J. Gordon Arkin, Esq. of the law firm of Foley & Lardner LLP, by telephone.

Mr. McReynolds acted as Chairman of the meeting. The Chairman invited all of those present to introduce themselves.

The first order of business was to conduct the Tefra hearing. The Chairman announced that this was the time set for a public hearing for the purpose of considering the Authority's issuance of not to exceed \$14,000,000 principal amount of industrial development bonds the proceeds of which will be used to finance and refinance the cost of acquisition, construction and equipping of a K-12 school at 1500 Lukas Lane, Oviedo, Seminole County, Florida, fund capitalized interest and pay certain costs relating to the issuance of the bonds. No one appeared for, or in opposition to, the application. The public hearing on this matter was concluded.

Discussion followed to determine when the Authority might call a special meeting, prior to the next regular meeting on October 27, 2004, to consider the application of The Master's Academy. The secretary will contact the Board members to get consensus on a date. The Chairman asked for the Applicant to go forward with securing a local bank's letter of credit.

There being no further business, the meeting was adjourned at 9:30 a.m.

Tracy D. Turk, Secretary
Seminole County Industrial Development
Authority

SEMINOLE INDUSTRIAL DEVELOPMENT AUTHORITY

Special Meeting October 6, 2004

A Special Meeting of the Seminole County Industrial Development Authority (the "Authority") was held in the conference room at the Metro Orlando Economic Development Commission's office, 1230 North Douglas Avenue, Suite 116, Longwood, Florida, commencing at 3:30 o'clock PM on October 6, 2004, notice of this Special Meeting having been posted on October 4, 2004, in accordance with the requirements of the law.

Board members present in person at the meeting were:

Lee Holt
Stanley Weinroth
Andrew Van Gaale
Doug Forner
Gary Scarboro

In addition, Mack McReynolds participated in the meeting by telephone conference. The members in attendance in person constituted a quorum of the members of the Authority.

Also present at the meeting were Tracy Turk, Secretary of the Authority, Gordon Arkin, Esq., legal counsel to the Authority, Michael Batts, Chairman of The Master's Academy, Bill Harris, Superintendent, The Master's Academy, Michael Hood, CFO, The Master's Academy, Michael Melliore, Esq. of the law firm of Peck, Shaffer & Williams LLP, bond counsel for The Master's Academy, and Mike Braun of B.C. Ziegler and Company, the underwriters for The Master's Academy.

Mr. McReynolds acted as Chairman of the meeting and Tracy Turk acted as Secretary of the meeting.

The Chairman advised that the first order of business was consideration of the minutes of the Authority meetings held on May 26, 2004 and September 22, 2004. On motion by Mr. Forner, seconded by Mr. Van Gaale, the minutes of these meetings were unanimously approved as written.

The Chairman then asked Mr. Melliore to make a presentation on behalf of The Master's Academy. Mr. Melliore advised that the Authority had held a TEFRA hearing on this project on September 22, 2004, and described the proposed bonds as not to exceed \$14 million of Seminole County Industrial Development Authority Adjustable Rate Demand Industrial Development Revenue Bonds, Series 2004, to be secured by a letter of credit issued by a commercial bank with a credit rating of at least A. He further advised that as a result of this letter of credit, the bonds will have an investment grade rating and will be sold only to institutional investors such as tax exempt money funds and insurance companies. He further

advised that the proceeds of these bonds would be used to refinance existing debt of The Master Academy that was originally incurred to finance the acquisition of its existing campus, to finance improvements to this existing campus, and to pay costs of issuance and other associated costs.

Mr. Batts advised the meeting that The Master's Academy was formed in 1986, that it is a community Christian K-12 school serving 800 students from Central Florida families, and that the proposed bond issue was intended to add facilities that were needed to accommodate an additional 100 students, including additional classrooms and administrative officers, science lab and a locker room for the gymnasium.

Mr. Arkin asked Mr. Melliére to address the legal issues raised by a financing for a religious school. Mr. Melliére advised the meeting that the Federal and Florida Constitutions permitted tax exempt bonds to be offered on a neutral basis to secular and religious schools, and that in addition, the inducement resolution and the bond documents would not permit bond proceeds to be used to finance facilities used for religious purposes. Mr. Arkin pointed out that the inducement resolution also required the bond documents to contain a covenant that The Master's Academy would not use facilities financed with bond proceeds in a manner that would violate the first amendment to the United States Constitution or relevant provisions of the Florida Constitution or other Florida law. Mr. Arkin also advised that the project qualified for financing under Chapter 159, and that the inducement resolution was in order. Mr. Forner stated that the Authority had previously financed facilities for religious organizations with the approval of the Seminole County Commission, so that the financing of the project for The Master's Academy would not be breaking new ground.

The Chairman asked if any member of the Authority had any questions. Mr. Scarboro advised that he was concerned about the impact an 11% increase in students served by The Master's Academy would have on Slavia Road, since vehicles accessing The Master's Academy were already stacking up on Slavia Road during peak traffic periods. Mr. Batts advised that The Master's Academy had every intent to proactively manage its traffic so that it does not create an unreasonable burden. However, The Master's Academy is very concerned about any new traffic management requirements being imposed by the Authority on The Master's Academy since the Seminole County Commission already considered this issue when it approved The Master's Academy's Master Plan, which included the proposed project. Mr. Scarboro moved that the inducement resolution be amended to require The Master's Academy to present to the Authority an internally generated traffic management plan that would show how The Master's Academy would do a better job of stacking traffic on its campus rather than on the public right-of-way during peak traffic periods, and how it would utilize an on-campus traffic control person during these periods to enhance traffic flow. The motion died for lack of a second.

There being no further discussion, on motion by Mr. Holt, seconded by Mr. Weinroth, and unanimously approved, the Authority adopted Resolution No. 2004-03, captioned:

**RESOLUTION OF THE SEMINOLE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY PRELIMINARILY APPROVING
THE ISSUANCE OF REVENUE BONDS TO FINANCE AND
REFINANCE THE ACQUISITION, CONSTRUCTION AND**

**EQUIPPING OF AN EDUCATIONAL FACILITY BY THE
MASTER'S ACADEMY AND RELATED MATTERS**

Mr. Scarboro then moved that the Authority require The Master's Academy to present to the Authority the internally generated traffic management plan described above before the Authority considered a resolution authorizing the issuance of the bonds for The Master's Academy's project. This motion was seconded by Mr. Forner. After further discussion, the motion failed, with Mr. Scarboro voting for the motion, and Messrs. Holt, Weinroth, Van Gaale, Forner and McReynolds voting against the motion. Mr. Scarboro then stated that he thought this conversation had been important because The Master's Academy and the Seminole County Commission would now know about these traffic concerns.

There being no further business to come before the meeting, the meeting was adjourned at 4:32 PM.

Tracy Turk, Secretary
Seminole County Industrial Development Authority